



**TESTIMONY OF
CONNECTICUT NATURAL GAS CORPORATION AND
THE SOUTHERN CONNECTICUT GAS COMPANY**

Raised Bill 589 – Residential Electric and Gas Customer Discount Rate

Good Afternoon, Senator Fonfara and Representative Fontana and members of the Committee, my name is John Dobos and I am Director of Public Affairs and Marketing for the Connecticut Natural Gas Corporation (CNG) and The Southern Connecticut Gas Company (SCG). Thank you for this opportunity to submit testimony on Raised Senate Bill 589 – An Act Establishing a Residential Electric and Gas Customer Discount Rate.

We are generally supportive of discounted rates for residential natural gas low-income customers. SCG and CNG serve over 33,000 residential customers who have qualified for hardship status and we know there are many others that qualify but do not apply. These customers do need additional assistance in paying their energy bills.

The measure before us is an ambitious proposal to provide low-income customers with meaningful financial assistance. As with most new initiatives, however, there are details to be considered and we are unsure of the number of customers that might benefit from this opportunity and the associate cost shift to our other non-qualifying customers.

As stated in the bill, the cost of the discounts shall be included in the rates of all other customers of such utility company. If the additional charges on other residential customers are discovered to be substantial, we would suggest that you consider offsetting these charges with a contribution from the State General Fund. As a reminder, existing low-income assistance programs such as the Matching Payment Programs are already recovered through the rates of all other firm gas customers. This new program will add limited weight to that financial burden.

We would also like to point out that all of Connecticut's gas companies compete daily with fuel oil and other petroleum products, which are far less environmentally friendly than natural gas. The sellers of these fuels will not be offering their low-income customers the option proposed in this bill. We request that you be mindful of that fact and consider that any additional surcharges levied on our non-hardship customers will raise their rates and create a competitive disadvantage to the sale and use of natural gas.

In conclusion, I would like to express our appreciation and support for your work on this issue and would like to work with other stakeholders, the DPUC and the legislature as a collaborate group to make discount rates work.

Thank you for your consideration.